

Teleconference: Israelis and Palestinians in Crisis: Are We at a Tipping Point?
Moderator: Maria-Stella Gatzoulis
July 15, 2014
9:00 am CT

Coordinator: Welcome and thank you for standing by. For today's conference, all parties will be on listen-only. During the question and answer session, please press Star 1 if you would like to ask a question. Today's conference is being recorded. If you have any objections, please disconnect at this time. I will now turn today's call over to Congresswoman Jane Harman, Director of the Wilson Center. Thank you. You may begin.

Jane Harman: Good morning to those of you in Washington and in the United States. Good afternoon. I hope it's a decent afternoon to those of you in the Middle East who are calling in and to our - hopefully to (Geora Island) who is one of our three participants but whom we have not yet located by telephone. Hopefully he will be joining us. This is a very difficult time in the Middle East -- no one has missed it -- and this is the Welcome Center's 32nd Ground Truth Briefing. These are opportunities by teleconference to hear from people on the ground and in hot spots around the world.

It shouldn't surprise anyone that many of these briefings have been about the Middle East region. Just last week, we hosted an event entitled Wither The Palestinians which featured three veteran Middle East analysts, (Robert Dannon), (Hussan Ebish) and (Shibley Telhami). At any rate, in the last, I guess, 12 hours or so, Secretary Kerry has left Vienna and is headed back to

the US. He will not be visiting Cairo on today according to (unintelligible) Foreign Ministry. Israel has resumed military action against Hamas giving up on the Egyptian cease fire proposal after Palestinian militants continue to fire rockets over the border. Israeli forces said that since they had suspended strikes in Gaza at 9 am local time, about 50 rockets were fired.

The Hamas view -- at least according to Sami Abu Zuhri, a senior official -- is that Egypt collaborated with Israel to spring the proposal on the militant Palestinian Islamist group without prior warning. They called it unacceptable and said Egypt is not a fair mediator because its government is deeply hostile toward Hamas. At any rate, we'll hear from participants today about whether those claims are accurate. Hopefully, we'll also hear whether there is any plausible way forward.

I would just like to conclude as someone who went to the Middle East region 25 times during my 17 years in Congress and continues to go back that I think developments in the last six months have been enormously disappointing for all of us who care so much but really catastrophic for those who live in the region and hopefully there will be a way soon found by policy makers and hopefully the Wilson Center can be helpful. That will result in a much better quality of life for Palestinians which they deserve and for Israelis which they deserve and let me turn now to Aaron Miller who is our (unintelligible) Vice President for New Initiatives, served six secretaries of state on these issues and will moderate the conversations.

Aaron Miller: Jane, thank you very much. Good morning. I hope that (Geora) will join us. His perspective is an invaluable one. Before I turn it over to (Mon) and then to (Nathan), I just want to make one or two points. History can be a trap or an opportunity but it is a reality and it does serve to provide some measure of context to what it is we're witnessing now. An Israeli, Hamas confrontation is

not a new story. We've seen it at least twice before in 2008 and '09, it lasted three weeks, it was a significant Israeli ground incursion and then again in November 2012 which Israeli's mobilized twice the number of forces, three times (unintelligible) that they have now. There was no incursion. There was a series of air strikes which lasted about a week and there was an Egyptian-brokered cease fire in November 2012.

So my question to the two, hopefully three, panelists are what is it that is new here? Is this some sort of new tipping point? Is it conjoined with other factors that make this somehow more innovative, more dangerous and it'd be very important to hear your perspective on that. I'm going to turn it over to (Mon) who will talk for five minutes or so and give us the Palestinian perspective particularly on events that occurred over the last 24 hours and then to (Nathan) who will provide an analysis, presumably, on both the Israeli and Palestinian perspective.

These are two extremely sensible and sensitive observers of Israeli, Palestinian politics and it's an honor and privilege for us to have them here on the phone today. If (Geora) joined, we will put him into the conversation. So (Mon), let me turn it over to you.

(Mon): Thank you Aaron. I think - I think there are new elements or new situation here that distinguish this current conflict from the previous ones. Of course, many would say that the breakdown or the failure of the US efforts to conclude some kind of an agreement over a nine month period without pointing blame to anybody contributed to creating a political vacuum but I think there are many elements that cannot be isolated from what is happening in the region as a whole.

I think we're witnessing a lot of changes that are taking place in Syria and Iraq, Lebanon, the role of Iran and Egypt that are impacting the situation between Israel and the Palestinians. In addition to that, the recent reconciliation agreement that was reached between the (PLO) (unintelligible) and Hamas which came as a surprise to many, it's not a secret that the Israeli government was unhappy about that agreement and they clearly, publicly demanded that President Abbas and the Palestinian leadership back down from that agreement.

So the regional developments, the reconciliation agreement, add to that. The atmosphere in Israel, I was in (Rumala) when the (unintelligible) settlers were kidnapped and they were found later killed by whoever kidnapped them and then the aftermath of that -- the burning alive of a Palestinian team agent and then the beating up of the Palestinian American teenager from Tampa Florida -- the atmosphere in Israel was really, really, really dangerous. I was watching a statement made by member of the Israeli cabinet, by members of the (unintelligible), posting on Facebook. I have never seen such a level of hostility and antagonism and calls to kill Palestinians and tearing their holy (unintelligible) into darkness like one Israeli former member of (unintelligible), (Michael Benari) said.

It is dangerous. There is that growing trend of extremism, racism and we are better than them, we deserve better than them in Israel that I think contributed to a growing situation of mistrust, suspicion and even calls for violence. So add to that, the pressure that the Palestinians are under for the lack of a political horizon, economic conditions, the difficulty that we are, Palestinians, are facing in the West Bank. All these elements provided, unfortunately, for this new wave or new phase of violence between the two sides but one thing I want to mention here, in 2008, 2009, the rockets that Hamas had only had the reach of a few kilometers. In 2012, they extended to 20, 30 kilometers and

now, you have missiles that are reaching 80 or 90 kilometers into Israel's heartland.

It tells you one thing, the more Israel delays the political resolution of this conflict, the less safer it will be and it will be - it will be less secured by delaying a political solution with the Palestinian people. The second thing is there are underlying political reasons for that and I continue to believe that the underlying reason for all this confrontation is the seizure of the Gaza strip, the miserable situation that 1.8 million Palestinians are enduring inside the Gaza strip, not allowed to move in and out, besieged by the Israeli army from all directions.

Technically, the Gaza strip is under occupation. There's a (flood) argument that the Gaza strip is not occupied anymore and they continue military occupation of the West Bank and the failure to the (unintelligible) the national ambitions of the Palestinian people of being independent, sovereign and free. We cannot overlook this underlying reason for this conflict. Unfortunately, we are going to see more conflicts. We're going to see it again in 2016, we're going to see it again in 2018 and it could be happening in different parts other than the Gaza strip if we do not try to deal with the core issues and try to reach a political solution that will provide security, stability, freedom for the Palestinians and to allow the two people to live in peace and security. I don't see any way out other than dealing head on with all these root causes and underlying political issues.

Aaron Miller: Okay. (Nathan), over to you.

(Nathan): Thanks very much Aaron. Thank you Jane and a pleasure to be on with you (Mon). So the main question that we began with here was what is new and despite how frequently these Gaza Israel clashes reoccur, there is actually

quite a bit that's new this time and if we compare this to the 2012 escalation in November of 2012 that Israel called Operation Pillar of Defense, the Gaza situation was radically different. Hamas' situation was radically different.

It had Morsi in power in Egypt. It had close ties with Egyptian regime and the (unintelligible) brotherhood in Egypt. It has a flowing tunnel trade, a relatively improving economy. It was taxing the goods that were coming through the tunnels on which government revenues - on which the government was dependent for revenues and the situation today is basically the opposite. Since July 2013, when (CC) took power in Egypt, the tunnels have been closed, Hamas has lost its revenue and it's been politically isolated with no longer having ties to Syria and having very weak ones with Iran and of course, the relationship with Egypt could not be worse.

This situation -- over the course of 2013 -- worsened until a point of April, of this last April, when Hamas made all kinds of concessions that it had been previously unwilling to make in the ongoing years long negotiations over reconciliation with the PLO and in April, on April 23, 2014 in Gaza, the PLO in Hamas signed an agreement that was seen by much of Hamas as capitulatory and it - the essence of the agreement was that the PA would take formal control of Gaza that despite Hamas being the most recent victors of Palestinian elections and having been elected as opposed to the government in (Rumala) which was appointed, they gave up control of that government and in exchange, the bare minimum that they expected was that the new PA government was going to assume responsibility for the payment of salaries in Gaza that Hamas could no longer afford to pay largely because the tunnels had been closed and they didn't have a way to tax goods coming in.

That government was formed on the 2 of June and after its formation, the salaries to the employees who then and today run Gaza were not made and

Hamas protested over this and there were the Hamas lead union put a protest outside the bank inside Gaza preventing - I should just take a step back and say that when Hamas took over Gaza in June 2007, there were a number of efforts to try and undermine its rule and end its rule and one of those efforts was to ask all of the existing employees of the PA -- from the moment Hamas took over Gaza in June 2007 -- to go on strike.

There were then about 70,000 employees of the PA and about 60,000 of them have been paid to stay at home for the last seven years. Hamas was forced to hire a whole new bunch of people. They created a government about half the size of roughly 43,000 people and some of those employees are Hamas members and some of them are not but as far as US law is concerned, they have all, for the last seven years, received material support from a terrorist organization and after the formation of the government this last June on June 2, the expectation was that the new reconciled government would pay these 43,000 who had previously been paid by Hamas and who, to this day, are administering and running Gaza.

The situation today is they have not been paid for months. They continue to run Gaza. The people who have been staying at home for seven years did indeed receive their paychecks and continue to get their paychecks. That is the most important and novel element of this entire crisis and it is a huge reason why it occurred and any resolution of this crisis that does not involve a solution to the salary issue will mean that we will see renewed civil strife in Gaza -- perhaps initially between Palestinians -- but in all likelihood, again, between Israeli's and Gaza's and the cease fire proposal that Egypt - that was published yesterday that Egypt put forward does not make any mention of the salaries in Gaza and I can go into more detail about what happened in the last 24 hours.

Before I get to that, I'll just say that from Hamas' perspective, they - they in the past have succeeded in winning concessions namely in the form of evening the closure regime imposed on Gaza through violence in the past and in November 2012 when there was an escalation, there was - Secretary of State Clinton at the time, helps to broker with President Morsi a ceasefire that entailed a number of concessions to Hamas and those included expanding the amount that Gaza fisherman could go out.

There was a nautical limit of three miles that was extended to six. There was a buffer zone of 300 kilometers to 1,000 meters that farms could not go into. That was then eliminated and very shortly after -- and of course it also called for the opening of the crossings -- very shortly after that ceasefire was reached in November 2012, it was abrogated and basically all of those conditions were not implemented and when the three Israeli teenagers were kidnapped and before their bodies had been found, there was a large sweep of Hamas in the West Bank.

Hamas considered this unjust because they say that they did not kidnap them although they support - they have offered lots of rhetorical support for the act of kidnapping and they feel that this was merely an excuse to go out after Hamas in the West Bank. The number of prisoners released in the (Shaleep) Deal who Hamas claims had absolutely nothing to do with this kidnapping and by the way, Israeli officials whom I've spoken with in the last couple of days have told me that they believe Hamas operatives did conduct the kidnapping but that it was imposed on the Hamas leadership and that it was not something that Hamas leadership ordered or desired and they found themselves in this situation and wound up offering rhetorical support to it because doing otherwise would be hypocritical and against their policy which is that kidnapping is the only way that they can get prisoners released from jail.

At any rate, they feel that the 2012, November 2012, ceasefire was abrogated. They feel that the (Shaleep) prisoner exchange deal was abrogated with the rearrest of 55 or 56 (Shaleep) prisoners during this West Bank sweep and they feel that the April 2014 reconciliation agreement with the PLO has been abrogated in the form of non payment of salaries to the employees who are continuing to run Gaza and it was, frankly, of little surprise and crisis group issued an alert and predicted this a couple of weeks ago that Hamas would resort to violence as a means of getting themselves out of their current predicament which is the tightening closure of Gaza, the inability to have their civil servants paid and their sense that they have no recourse when these various agreements are not honored and now, during this last seven days of fighting, they have issued, from the beginning, a very clear set of conditions in order for a ceasefire to be reached and those conditions are for the 2012 ceasefire terms to be implemented which include the opening of all the crossings, for that to include the (unintelligible) crossing with Egypt which is the most important one to Hamas.

It's a pedestrian only crossing that is the main access to the outside world for 1.8 million (Gazans) and for the arrested (Shaleep) prisoners to be released and finally, for the - the way that they phrase it is for Israel and the international community to "take its hands of the reconciliation, government reconciliation agreement" and what is meant by that specifically is for the international community and for Israel specifically not to fort the payment of these 43,000 employees and the Egyptian proposal that was put forward on Monday fell very far short of those conditions.

The Egyptian proposal on Monday was simply an opening of the crossings in exchange for a cessation of violence on both sides and then within 48 hours, the two sides would come to Cairo and negotiate the rest of the terms. Of

course, Hamas is in a much weaker position to negotiate when the rockets have stopped than when the rockets are flying and I was quite surprised by the Egyptian announcement that Hamas had agreed to those terms.

Now it turns out that all the Hamas spokesman in Gaza and elsewhere said that they never had agreed to them, that they were not shown the Egyptian document and that what essentially occurred yesterday was that Egypt put forward a ceasefire proposal that was unacceptable to Hamas and falsely claimed that Israel and Hamas had both agreed to its terms and they basically got the entire international community, including the League of Arab States, to endorse this proposal and leave Hamas very isolated and look like it's the spoiler for not agreeing to something that they say they never agreed to in the first place.

Aaron Miller: (Nathan), your presentation raises so many fascinating questions about the new and innovative aspects of this crisis and I'm really sorry that (Geora) couldn't join us because I think we don't have an Israeli voice in this conversation which I think is extremely important. We have about 30 minutes for questions. I would just make one observation. (Nathan), your analysis seems to conclude that this crisis is essentially a crisis over administrative issues. That, in fact, salary payment which is either going to have to be done by the UN or some potential donor and I suspect one of the reasons (Cary) had (Donha) on his list of stops, prospective list of stops, is that the (unintelligible) in a position to pay for this but that this is really driven by administrative localized issues.

That in essence, this is not part of a broader existential struggle between an organization Hamas which has an ideology of resistance and unlike Abbas or even (Orifa), no intention of negotiating or being drawn into a negotiation -- at

least on core issues -- with Abbas and the Israeli's. Is that a - is that a fair interpretation of what's actually occurring?

(Nathan): Look, I think that of course Hamas perceives it to be - perceives itself to be in an essential conflict with Israel. I don't discount that for a second and that's an essential part of what Hamas is and Hamas' ideology and Hamas' motivations but explaining what the motives of the parties are in this specific crisis in which, obviously, Hamas is not going to put a dent in Israel militarily, yes, this specific escalation is about improving life in Gaza through the opening of Gaza and through the payment of the employees there and basically having these three agreements honored. The (Shaleep) Agreement, the 2012 Ceasefire Agreement and the Reconciliation agreement.

They - Hamas found itself in an existential crisis as an organization in Gaza. It chose an escape route which was to give up formal control of Gaza to the PA. They expected that when that happened, Gaza would be opened, economic life would improve in Gaza, there would no longer be an excuse not to have the (unintelligible) crossing opened and now Egypt would be dealing with the PA and not the hated Hamas and they expected that salaries would be paid. None of those things happened and so their existential crisis continued and yes. So then they chose a second means of renegotiating the terms of there existence there in Gaza.

Aaron Miller: Thank you. Jane, I think you have a question?

Jane Harman: Yes. I think both presentations are very interesting. Obviously we expected to have the Israeli perspective offered in this conversation and I would encourage those who ask questions to the extent you know it or are somehow representing it in some way to express it because we do want the views of the Wilson Center always to provide a balance of perspectives. My question is

this though, let's just postulate this is an administrative dispute and this specific dispute is over payment of salaries and dashed expectations after the PA and Hamas announced the reconciliation that they did. The means used to resolve this dispute are violence. No one is missing this.

Missiles and rockets lobbed into Israel and an Israeli response. I'm not getting to who started this et cetera but violence is being used as the means, not conversation and so, my question first is to either of you, how did all these missiles get into Gaza? Some are long range, some are obviously (serium bel diem 302's) of an Iranian design. Those are the ones that potentially can cause more damage. Yes. We're seeing that the iron (domas) is destroying them but obviously, some are getting through.

How did those missiles get there? Is there a way they're going to be replenished? Is there a possibility that this conflict will spread more on the northern border, the Lebanese border and the longer range missiles will be replenished through the porous border that Lebanon has with Syria? What are we - what is - just looking at the part of this crisis that involves military actions on both sides, how is Hamas getting its arsenal?

(Mon): If you give me a chance, (Nathan), please to comment.

(Nathan): Please.

(Mon): On these administrative issues, I think it's much, much larger than that.

(Nathan): I agree. I would not use that word.

(Mon): I do understand that before this recent cycle of violence, that reconciliation agreement was first day of its implementation with problems and new

responsibilities thrown onto the back of the Palestinian authority but there is a larger picture there through that both Israel and Hamas are trying to achieve political objectives as well. I think it was interesting to see the prime minister of Israel.

At one point, I was in (unintelligible) when he made a statement that really surprised me. He said, we shouldn't allow extremists on both sides to draw us into a cycle of violence and bloodshed. This is came from Prime Minister (unintelligible) and it was obvious that there are extreme, extreme forces on both sides calling for a confrontation and by - I think - I think also Israel, some circles in Israel or the Israeli government, saw maybe a benefit of an escalation that started after the kidnapping and continued after that because the pressure was mounting on Israel as a result of the burning alive of the teenager and the beating up of that. There was a shock inside Israel and around the world about what happened and therefore, distracting the whole thing back to the issue of Israel being the victim of these rockets and Hamas is just trying to destroy Israel was politically an easy thing to do.

Now, I'm not saying that - I don't think that neither Hamas nor Israel wanted this confrontation but it got out of control. I don't see any escalation on the northern borders Jane. I don't think anybody wants to expand the scope of this confrontation but we really have to look at that. The reason the 2000, 2008, 2009 campaign failed, the 2012 failed and this is going to fail by the Israeli army is Israel is treating this as only a security military threat. There are other components to that. There is pressure that is mounting the West Bank, pressure in the West Bank that is (unintelligible) in the West Bank. It's very, very high. The Palestinian authority is doing an excellent effort to prevent or to make sure that this does not extend into confrontations there because we believe strategically that engaging in violence is not going to serve the interest of the Palestinian people.

We have tried that in the past and we know that the only way that we can achieve our objectives is through a genuine political engagement with the help of the international community including the United States. So I don't agree that Hamas wants only to wage a war and violence against Israel. I think they also are posturing to be accounted, taken into account in any future rearrangement in the region. They look around them and they see the changes and your analysis (Nathan) is very, very thorough.

I think there is this Hamas, Egypt relationship which is interesting. I read two days ago that this is all to attract the attention of the Egyptians. In a way, they want also to improve the relationship with Egypt which was (unintelligible) during the (unintelligible) rule. So they're - there are - there are more complicated factors involved but we cannot minimize that to only paying salaries and opening crossing points which Israel is not going to do unless there is a longer term agreement.

I think we are -- as a Palestinian leadership -- in favor of a long-term agreement but that also has to come as part of an overall approach to resolve this conflict. The way we can avoid any future cycles of violence is by reaching an agreement that will put to rest all the underlying reasons that could lead to future confrontations.

Aaron Miller: Thanks (Mon). It would certainly would be nice and compelling if in fact, we could do this. It's time to go to callers questions. Let me remind all of you who...

(Nathan): Aaron, do you think I could just have a minute to respond to a couple points?

Aaron Miller: We really should go to callers questions (Nathan) and you can...

(Nathan): Okay.

Aaron Miller: ...at some point before we wrap up for sure.

(Nathan): Okay.

Aaron Miller: Callers, let me remind you to press Star 1 to get into the queue. Questions in the queue? I have a question. Is it paradoxical? Can you argue that weaker Hamas and clearly Hamas enters this particular phase of the confrontation weaker and has also been weakened by the political time and space that (Iron Dome) has provided the Israeli government. It also has, perhaps, forestalled or preempted a ground incursion because (Iron Dome) has worked so effectively but is a weaker Hamas paradoxically a more recalcitrant or dangerous Hamas because it has less to lose and must create some victory image in the wake of this confrontation? (Nathan)?

(Nathan): Yes. So it's a shame that (Geora) is not on this call because he has written a number of very interesting pieces that are quite out of the box within the Israeli security establishment and he has argued, basically, during all of these previous confrontations that Hamas rule in Gaza has to be strengthened and that Gaza needs to be made more state like and that the answer to stability in Israel's south and now basically the entire country is to give Gaza the semblance of a normal functioning state and that includes allowing construction materials to come in and includes the opening with (unintelligible), it includes upgrades in how Hamas is dealt with and he's even gone so far as to promote the idea of having -- and this idea has become much more relevant since its relations with Egypt and Hamas have soured -- he promoted during the 2012 escalation the idea of having boats coming from a port in Europe, either Cyprus or Greece, that would bring goods, imports and

exports from Gaza to and from Gaza and that these would be monitored by the EU, of course, in close cooperation with Israel and that this would be a means of greatly opening up Gaza's economy, improving life there and therefore, giving Hamas more incentive to maintain the ceasefire.

Aaron Miller: (Nathan), I know you made that point in the ICG's recent report which you drafted and I commended to everyone on this call. It really - it's a fine piece of work. We have a call from (Josh Simon) from the Defense Department. (Josh), are you on the line?

(Josh Simon): Yes sir.

Aaron Miller: Please.

(Josh Simon): I was just curious - thank you both (Nathan) and (Mon) for your presentations. (Mon), I had a question for you related to the stability in the West Bank and you said that you - you said two things that were interesting to me. One was that the PA had a vision for non violence. They don't want to return to violence but clearly after Operation Brothers Keeper, IDF Operations, stoked unrest in the West Bank. We saw the (DA) public turning on the Palestinian security forces and I was curious as to your thoughts on what would actually - when Abbas made the speech in Saudi Arabia saying that security cooperation was sacred, I was curious at what point do you think that this calculus could change and if there were - if that was in jeopardy in your opinion?

(Mon): Very good question (Josh). Thank you very much. I think - first of all, maintaining the rule of law and order in our area is a primary objective for the Palestinian leadership. It serves the interest of the Palestinian people before it serves the interest of anybody else. Any country, any state allowing different groups and individuals to operate and take the law into their own hands are

doomed to failure and we learned from our past experiences, we learned from the experiences of neighboring countries. So it is, in the national security interest, of the Palestinian people to maintain law and order. We are not doing a favor to anyone. Neither the Israelis or anybody else when we do that.

Second thing is, the security corporation which continues until today in the West Bank and President Abbas said it clearly. He is not shy to say it again. I am not shy to say it again. There is a continuous security cooperation was meant to show Israeli's that the Palestinians are capable, qualified to maintain law and order and we have managed to do that. I mean, even security officials in Israel, the army, the intelligence admit that the Palestinian authority has done that in a very good manner.

It was all meant to provide assurances to the Israeli's and in return, to allow Israel to be more forthcoming and more flexible in their political positions. Unfortunately, Israel cashed in these Palestinian efforts, put it in its pocket and did not offer anything and return for the Palestinian leadership and this is becoming an issue of strain in the Palestinian society and among Palestinian's who are questioning their reasoning, the wisdom of continuing to work with the Israeli's and at the same time, Israel is violating a Palestinian areas on a daily basis, going in and shooting demonstrators, arresting people, exposing how vulnerable we are.

Something we know when we are dealing with Israel and it is weakening the Palestinian leadership in a way that it becomes difficult for them to justify the continuation of this security track and if the situation continues in this manner, if Israel continues to show total disregard to the overtures and the pragmatic positions taken by the Palestinian leadership and their sincere intentions to really put an end to this conflict, I think it will become more difficult in the future, in the near future, to sustain that relationship.

(Nathan): I'd like to just add to that briefly if I could?

Aaron Miller: (Nathan), let's - we have some questions. Let me go to that and then we'll come back to you. We have a question from (Stefan Grogga) from European TV. (Stefan), are you on the line?

(Stefan Grogga): Yes. Hi. This is (Stefan) from UN News. Thanks for doing this. I have a quick question. Can you - (Mon), can you talk a little bit about public opinion in the Gaza strip? Does Hamas still have the full support of the population or do you see any cracks there? What's your take on this? Thank you.

(Mon): This is - this is - I mean, it all depends on who's conducting the polls or the surveys. I think the people of Gaza are eager to live in peace, to live in security and I think the majority of the Palestinians who live in Gaza today want to see an immediate end, an immediate ceasefire for and cessation of hostilities because keep in mind, the Palestinian civilian population has paid the heaviest price and continues to pay the heaviest price in this confrontation and the economic conditions are bad there.

So I don't think that the majority of the Palestinians in the Gaza strip are eager to see this confrontation continue. They want to see an end to that but at the same time, they are also perplexed by the Israeli disproportionate response and the more Israel carries out attacks against civilian targets, the more the population will - there will be a resentment among the Palestinians there and the picture will be blurred and there is this unity among the people regardless of all the political differences.

I think this is making it difficult for the Palestinians in general -- both in the West Bank and Gaza -- to be able to contemplate the next step which is

coming after this reconciliation agreement calling for elections in the next six to nine months so Palestinians can exercise their democratic right of choosing their leaders. Something we haven't had since 2006. So I believe that the majority of the Palestinians both in the West Bank and the Gaza strip understand that confrontation, violence, oppression are not going to be productive and they are eager to see a political resolution to this confrontation.

Aaron Miller: We have a question and again, please Star 1 if you have questions. We have a question from (Alfred Begel) from Florida Atlantic University. (Alfred), are you there?

(Alfred Begel): Yes. Given the disproportionate capabilities, military, technical on the part of the Israeli's, why is (Gazan) population getting the brunt of the response to a degree but with Hamas who embedded their military within their population, why - what is the concept of the Gaza leadership in terms of what are they seeking when they know they can only lose? Thank you.

(Mon): (Nathan), me or...

(Nathan): Sure. Sure. I'll take it. This - I think that they do not think that they can only lose. Past experience has shown them that they do indeed win concessions and changes in Gaza during these escalations as they did in November 2012 and this is one of the reasons that you have support for what Hamas is doing in Gaza beyond the just Hamas supporters and this is why I took - I take issue with the description of Hamas' motives as purely an administrative matter. What they're after and what the population of Gaza is after and think is achievable despite the huge difference in capabilities between Israel and the Gaza factions is a change in life in Gaza. The water there is undrinkable, they're digging into the aqua fire, they're looking at a crisis in six months. They have sewage that they're just dumping into the sea. In December, they

had sewage - because of a fuel crisis, the sanitation plants couldn't work and you had sewage in the middle of the streets in Gaza. The entire government - every employee in the government has not been paid for the past several months.

These are not simply - and people can't leave Gaza. The (unintelligible) crossing is open once a month or once every 15 days for a very limited number of medical cases. Gaza has to pay \$3,000 even if they have a medical problem to get to the front of that line. We're talking about people missing dialysis treatments, we're talking about serious problems for the entire Gaza population that Hamas no longer wanted to be responsible for and if they said, we Hamas are the reason, our rule is the reason that all of these problems exist in Gaza, fine. Let it be the PA and nothing changed so that their goal is not simply an administrative matter. It is to radically change life in Gaza and only doing that or let's put it this way.

The further that this ceasefire agreement, when it is reached, go towards doing that, the longer it will last and here is where you do have an interest on the Israeli governments part to despite the short-term costs and how bad any concession to Hamas looks within the coalition, in the long run, the worst thing for (BB) is that a new eruption happens in two or three months and he really does have an incentive to really use this as an opportunity to change things in Gaza in a dramatic way.

Aaron Miller: (Nathan), could I - let me - could I just push back a minute on the issue of PLO reconciliation? I don't know what Hamas was thinking but it was clear almost from the beginning -- at least in my view -- that this unity was foe unity, it was tactical, it was Mahmoud Abbas' least objectionable response to the breakdown of negotiations or perhaps even before it's popular on the Palestinian street, he's not going to resort to violence, he's not Arafat and he

didn't choose to go to the UN so reconciliation with Hamas offered clear benefits but my point is, if Hamas was truly believe that in affect Abbas was going to shower it with financial rewards and the benefits of integration then it would seem to me, it was thinking rather naively.

I mean, this was not about one gun, one authority, one negotiation position. This was an effort tactically by both sides to reap whatever benefits they could without really addressing the core issues of what unity between these two factions would actually mean. Hamas has no intention of surrendering its repository of high trajectory weapons. In fact, there is a Hezbollah president. Hezbollah adopted much of the same tactics.

So I guess - I mean look, I don't want to trivialize the suffering of the people of Gaza but I'm also not prepared to accept the notion that Hamas is somehow an innocent victim in this entire tic tock over the last several months. I just don't think that's consistent or cords with reality.

(Nathan): Yes. I don't - I certainly hope that you don't hear from me that they're an innocent victim. I agree entirely that both of them were seeking limited tactical objections but among those limited tactical objectives was opening (Rafa) and having people pay because Hamas couldn't pay people. Those were tactical strategic issues absolutely were not resolved.

The irreconcilable national programs (unintelligible) in Hamas, the integration of Hamas into the PLO and having a unified national strategy. None of that was addressed and the issue of what happens if you have elections, how will you have elections, will the international community allow Hamas to run, will they honor the results if Hamas wins? All of those questions were not resolved. Those were deep strategic questions but from Hamas' perspective, the tactical one was opening (Rafa) and having some improvement, some

breathing room, and life in Gaza and having the employees of the government paid.

(Mon): Well...

Aaron Miller: Okay. We have a question from (Tom Betman), consultant from the (Betman) Group. (Tom), are you there? I guess not. (Mon), did you want to offer a comment?

(Mon): Yes. Yes. I just want to comment quickly on the previous question. I think - I think what consolidates the position of those who believe in the military resistance is again, the fact that there is nothing on the horizon politically. Palestinian leadership has always been faced with three daunting challenges or major problems. One is the economic conditions, second, the political horizon and third, the divisions among the Palestinians and they were under pressure for a long period of time. Hamas and (unintelligible) and the PLO were under immense pressure by the Palestinians to end their divisions.

I don't agree that the solution is to consolidate any authority in the Gaza strip other than the one Palestinian authority. The only hope for reviving the Gaza economy and ending the economic hardships and improving the living conditions and opening up Gaza would be done if the Palestinian leadership and the PLO is involved in that. Now, the more - the more Hamas is put under pressure, the more the Israeli's exaggerate in their response, the more civilian casualties. It's a natural reaction for people to rally and to unite their ranks.

So I also want to allude to the fact about the internal dynamics within Hamas, something we didn't touch on. Today, Hamas is not - they have different wings within Hamas and what you said, (Nathan), earlier about Israeli conclusion that whoever carries out the kidnapping that they were doing it not

necessarily upon the instructions of the Hamas leadership is an interesting analysis. It shows that those people who carried out this did not do it necessarily in coordination with the leadership which means that even the Hamas leadership was not seeking such a confrontation at this time given all the analysis that you provided in your opening remark. So we need to also consider that in our assessment of the situation.

Aaron Miller: (Mon), thank you very much. Our final question goes to (Halis Vandiar). (Halis)?

(Halis Vandiar): It's maybe a question to either of you. If opening the (Rafa) crossing was so important, if Hamas wanted to establish the relationship with Egypt (unintelligible) so why not accept the ceasefire and then try and get more concessions from Egypt (say) we are reluctantly doing that? So that's what's puzzling to me.

(Nathan): I'll just say quickly if I can (Mon)?

(Mon): Yes.

(Nathan): The Hamas does not trust (CC) at all. They believe that the Egyptian government is out to get them and they think that any - if they were to agree to just go to Cairo today that not only would the openings that are promised just as a result of the ceasefire be retracted but that they would not be able to win any further concessions and they are continuing to insist that there be some other mediator or at least an additional mediator because they just do not trust the Egyptian government and they feel great hostility from it since July 2013.

One thing I just - I just want to echo what (Mon) said about a PA role and that is that any solution to the Gaza crisis will require a much greater PA role and

the Israeli government has -- since the June 2 formation of the national consensus government -- has been opposed to the existence of this government and the way out of this crisis will have to be a change in Israeli policy toward it and will have to be a strengthening of the PA within Gaza. It's not going to mean Hamas gives up its weapons but any real improvement in life in Gaza is going to require the PA as an interlocutor, it's going to require for Egypt to make a change at (Rafa), at a minimum requires PA troops at (Rafa) and probably long the southern border.

Any opening with Israeli construction materials and greater flow of goods or exports which basically don't exist from Gaza right now from Israel's side is going to require the PA as an interlocutor and certainly any option like the one that (Geora) had written about some time ago of opening up Gaza to the Mediterranean is going to require monitors who are acceptable to Israel and who will not permit themselves to have direct negotiations with Hamas which means they'll be dealing with a PA. So no matter what, the way forward is a strengthened PA in Gaza and as far as I understand, Hamas is ready for all of those steps that I just mentioned.

Aaron Miller: (Nathan), thank you. I guess the question to conclude is whether at the end of the day, it will be quiet or at the end of the day...

(Mon): It doesn't...

((Crosstalk))

Aaron Miller: ...or at the end of the day, will it be stability for stability and if the...

(Mon): They are reporting now.

Aaron Miller: ...Middle East track record is any indication, it'll be the former rather than the later but I want to thank both of our panelists...

(Mon): Aaron, they're just reporting now that the Islamic Jihad has officially rejected the Egyptian initiative or proposal.

Aaron Miller: Thank you (Mon). We can end on a...

(Mon): No. No but I'm saying they are all posturing right now. I think eventually they will reach a ceasefire. It's just a matter of posturing to try to get as much achievements as possible.

Aaron Miller: All right. Thank you (Mon) truly...

(Mon): Thank you.

Aaron Miller: ...and (Nathan), thank you and I apologize again that (Geora) isn't here. He's an important voice. Thank you all and until next time.

(Mon): Thanks.

(Nathan): Thank you Aaron.

Aaron Miller: Bye-bye.

(Mon): Thank you.

(Nathan): Bye.

Coordinator: That does conclude today's conference, we appreciate your participation and you may disconnect at this time.

END